
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 1.20.2010

Wall Street Journal: "AIG Deal Holds Payback Hope ... After committing \$182.3 billion to prop up insurer American International Group Inc., U.S. taxpayers may finally be getting a chunk of their dollars back."

Wall Street Journal: "Treasury Makes Banks Pay a TARP Premium ... The Treasury Department persuaded some big banks to pay more than market estimates to repurchase warrants issued to the government during the financial crisis, suggesting that taxpayers could ultimately benefit from some aspects of the government's costly financial-rescue programs."

Wall Street Journal: "Goldman Employees Must Wait for Bonus News ... Goldman Sachs Group Inc. will delay until next week the process of letting employees know how much they'll receive in year-end bonuses."

Wall Street Journal: "FHA to Lift Mortgage Insurance Fees ... The Federal Housing Administration will announce more-stringent lending requirements and higher borrower fees on Wednesday to cushion against rising defaults and stave off the need for a taxpayer bailout of the agency."

Wall Street Journal: "China to Control Credit Growth ... As China signaled a further tightening of controls on lending growth, one of the country's big banks said it was taking steps to rein in loans."

Wall Street Journal: "Obama's Double-Dealing Bank Tax ... Forget Goldman Sachs funding a housing bubble even while betting against it. Revisit the famous collapse of Long Term Capital Management, in which (according to a 2000 book by former Journal reporter Roger Lowenstein) Goldman used information gathered from its hedge fund client to bet against the client's positions."

Washington Post: "FHA plans to require borrowers to produce more cash for down payments ... The Federal Housing Administration plans to increase the amount of up-front cash paid by all new borrowers and to require higher down payments from those with the poorest credit, according to agency officials."

Washington Post: "Bank of America loses \$5.2B as it repays bailout ... Bank of America reported Wednesday that it lost \$5.2 billion during the fourth quarter and a total of \$2.2 billion during 2009 as rising losses on consumer loans and the cost of repaying federal aid drove the company into the red."

LA Times: "Citigroup loss signals more trouble for commercial banks ... Wall Street may be drawing attention for its rebounding profits, but not all big banks are rolling in dough."

LA Times: "Bernanke invites an audit ... Federal Reserve Chairman Ben S. Bernanke, apparently seeking to mollify critics as he awaits Senate confirmation on his reappointment, said Tuesday that he welcomed a government audit of the central bank's role in the intensely unpopular bailout of American International Group Inc."

LA Times: "New FHA measures may cost home buyers ... The Federal Housing Administration will raise mortgage insurance premiums, update requirements for so-called FICO credit scores and down payments for new home buyers and take other measures designed to shore up the agency's low capital reserves."

USA Today: "FHA bailout? New real estate fees, loan rules aim to avert one ... The Federal Housing Administration is raising fees and tightening lending standards to shore up its strapped finances and avoid a taxpayer bailout."

USA Today: "Bernanke asks for GAO review of Fed role in AIG bailout ... Federal Reserve Chairman Ben Bernanke took the unusual step Tuesday of asking Congress' investigative arm to conduct a "full review" of the Fed's role in bailing out insurance giant American International Group."

Washington Times: "Feds find little fraud at big Wall Street firms ... While the American public and Capitol Hill lawmakers appear to blame wrongdoing on Wall Street as the primary cause of the global financial crisis, federal law enforcement agencies have had little success in finding and prosecuting instances of fraud at the nation's major investment firms."